

APPLICATION FOR RENEWAL OF LICENSE FOR  
COMMERCIAL AND NONCOMMERCIAL AM, FM OR TV BROADCAST STATION

Approved by OMB  
3060-0110  
Expires 5/31/91

For <u>Commission</u> Fee Use Only	FEE NO: 03013272	For <u>Applicant</u> Fee Use Only	
	FEE TYPE: 17Ry		Is a fee submitted with this application? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	FEE AMT: 30.00		If No, indicate reason therefor (check one box): <input type="checkbox"/> Nonfeeable application
	ID SEQ: 18		Fee Exempt (See 47 C.F.R. Section 1.1112) <input type="checkbox"/> Noncommercial educational licensee <input type="checkbox"/> Governmental entity
For <u>Commission</u> Use Only: File No. 900330 VV			

1. Name of Applicant Bakcor Broadcasting, Inc., Debtor-In-Possession		4. Have the following reports been filed with the Commission:	
Mailing Address 3701 LaForce Boulevard		(a) The Broadcast Station Annual Employment Reports (FCC Form 395-B) as required by 47 C.F.R. Section 73.3612? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
City Midland	State TX	ZIP Code 79711	If No, attach as Exhibit No. _____ an explanation.
2. This application is for: <input type="checkbox"/> AM <input checked="" type="checkbox"/> FM <input type="checkbox"/> TV		(b) The applicant's Ownership Report (FCC Form 323 or 323-E) as required by 47 C.F.R. Section 73.3615? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
(a) Call Letters: KKIK	(b) Principal Community: City Lubbock State TX	See Exhibit No. 1	
3. Attach as Exhibit No. N/A an identification of any FM booster or TV booster station for which renewal of license is also requested.		If No, give the following information: Date last ownership report was filed _____ Call letters of station for which it was filed _____	

FCC 303-S  
May 1988

5. Is the applicant in compliance with the provisions of Section 310 of the Communications Act of 1934, as amended, relating to interests of aliens and foreign governments? ☒ Yes ☐ No  
If No, attach as Exhibit No. \_\_\_\_\_ an explanation.
6. Since the filing of the applicant's last renewal application for this station or other major application, has an adverse finding been made or final action been taken by any court or administrative body with respect to the applicant or parties to the application in a civil or criminal proceeding, brought under the provisions of any law relating to the following: any felony; broadcast related antitrust or unfair competition; criminal fraud or fraud before another governmental unit; or discrimination? ☐ Yes ☒ No  
If Yes, attach as Exhibit No. \_\_\_\_\_ a full description of the persons and matters involved, including an identification of the court or administrative body and the proceeding (by dates and file numbers) and the disposition of the litigation.
7. Would a Commission grant of this application come within 47 C.F.R. Section 1.1307, such that it may have a significant environmental impact? ☐ Yes ☒ No  
If Yes, attach as Exhibit No. \_\_\_\_\_ an Environmental Assessment required by 47 C.F.R. Section 1.1311.  
If No, explain briefly why not. See Exhibit No. 2
8. Has the applicant placed in its station's public inspection file at the appropriate times the documentation required by 47 C.F.R. Sections 73.3526 or 73.3527? ☒ Yes ☐ No  
If No, attach as Exhibit No. \_\_\_\_\_ a complete statement of explanation.

The APPLICANT hereby waives any claim to the use of any particular frequency or of the electromagnetic spectrum as against the regulatory power of the United States because of the previous use of the same, whether by license or otherwise, and requests an authorization in accordance with this application. (See Section 304 of the Communications Act of 1934, as amended.)

The APPLICANT acknowledges that all the statements made in this application and attached exhibits are considered material representations and that all the exhibits are a material part hereof and are incorporated herein as set out in full in the application.

CERTIFICATION: I certify that the statements in this application are true, complete, and correct to the best of my knowledge and belief, and are made in good faith.

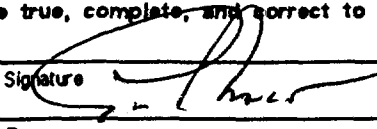
Name George Bakke	Signature 
Title President	Date March 27, 1990

EXHIBIT NO. 1

The licensee believes that it has filed the ownership reports that are required by the Commission's rules but recognizes that at least two reports were filed in response to correspondence from the Commission.

EXHIBIT NO. 2

Statement Concerning Radiofrequency Radiation

**STATEMENT RE SAFE  
RF RADIATION LEVELS**

Below is a description of the measures taken by Station KKIK (FM), Lubbock, Texas, to protect station employees and the general public from exposure to RF levels in excess of the "Radio Frequency Protection Guides" adopted by the American National Standards Institute (ANSI C95.1982):

The area at the base of the KKIK-FM/KAMC-TV and K40AN-TV tower is surrounded by a locked fence to keep out unauthorized persons, with the appropriate RF Radiation Warning signs posted. Radio Frequency radiation levels in excess of the guidelines are only at locations above ground level on the tower. The Radio Frequency radiation levels at ground level are well below the standard specified in the guidelines. And in regard to protecting workers, in the event that maintenance needs to be done on the tower or antenna, the licensee and all parties sharing the tower will reduce power as necessary in order to protect workers from exposure to RF levels in excess of the guidelines.

3-16-90  
Date


  
Tommy E. Jenkins  
Director of Engineering

EXHIBIT NO. 3

The licensee bases its affirmative response on its belief that the station is currently in compliance with the Commission's public file rule.

EXHIBIT NO. 4

Broadcast Equal Employment Opportunity Program Report

ORIGINAL

LAW OFFICES

MULLIN, RHYNE, EMMONS AND TOPEL  
PROFESSIONAL CORPORATION

1000 CONNECTICUT AVENUE - SUITE 500  
WASHINGTON, D. C. 20036

(202) 659-4700 TELECOPIER (202) 872-0604

EUGENE F. MULLIN  
SIDNEY WHITE RHYNE  
NATHANIEL F. EMMONS  
HOWARD A. TOPEL  
HOWARD M. WEISS  
LAWRENCE ROBERTS  
LINDA J. ECKARD

MARK N. LIPP\*  
RACHEL D. CRAMER  
MARY L. LANTAMURA  
CHRISTOPHER A. HOLT\*  
J. PARKER CONNOR  
MARTIN E. FIRESTONE  
OF COUNSEL

J. MARK ABSON<sup>Δ</sup>  
SPECIAL COUNSEL  
\*MARYLAND BAR ONLY  
\*PENNSYLVANIA BAR ONLY  
<sup>Δ</sup>SOLICITOR OF THE  
SUPREME COURT OF  
ENGLAND AND WALES  
(NOT ADMITTED IN DC)

March 30, 1990

Ms. Donna R. Searcy, Secretary  
Federal Communications Commission  
1919 M Street, N.W.--Room L-18  
Washington, D.C. 20554

Re: Station KKIK(FM)  
Lubbock, Texas

Dear Ms. Searcy:

Enclosed for filing, on FCC Form 303-S, are an original and one copy of an application for renewal of license for the above-referenced station.

Attached to the application form are four exhibits. Exhibit No. 1 is the licensee's response to Question 4(b). Exhibit No. 2 is the licensee's response to Question 7. Exhibit No. 3 is the licensee's response to Question 8. Exhibit No. 4 is the station's Broadcast Equal Employment Opportunity Program Report (FCC Form 396).

Also enclosed for association with the license renewal application is a stamp copy of the licensee's 1990 Annual Employment Report.

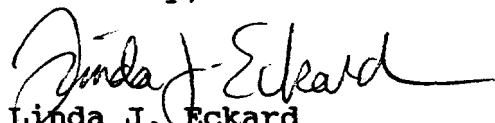
Finally, enclosed is a check in the amount of \$30.00, payable to the Federal Communications Commission, to cover the filing fee for the application.

The licensee requests renewal of its auxiliary authorization, WLN-400, concurrent with renewal of the main station license.

Ms. Donna R. Searcy  
March 30, 1990  
Page 2

I would be pleased to respond to any questions concerning  
this filing.

Sincerely,

A handwritten signature in cursive script, appearing to read "Linda J. Eckard", written in dark ink.

Linda J. Eckard  
Counsel for Bakcor Broadcasting, Inc.  
Debtor-In-Possession

LJE:js  
Enclosures



Mailing Address:  
820 Avenue H, Suite 8  
Lubbock, Texas 79401-2702  
Phone: (806) 762-1096  
FAX: (806) 762-1098

LAW OFFICES OF  
**JAMES M. BRENNAN**  
ATTORNEY AT LAW

619 E. Crosby  
El Paso, Texas 79902  
Phone: (915) 533-6078  
FAX: (915) 533-6077

October 7, 1991

F.C.C. OFFICE OF CONSUMER AFFAIRS  
Washington, D.C. 20554

RE: Q-95/K.K.I.K FM RADIO  
LUBBOCK, TEXAS

Dear Sir/Madam:

We are writing to you as concerned citizens. We, in our office, feel that it would not be in the best interest of the public for the above radio station to be taken off the air. We do listen to this station and enjoy their music, programs and news on a daily basis.

We, in Lubbock, have not had a spanish radio station on the FM dial in very many years and we have truly enjoyed listening to our music on FM.

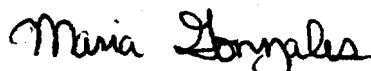
We feel that the Lubbock area has a good selection of Christian music as it is. We feel that we deserve to hear our music on FM as well as the programs and news in our ancestors language. Even through we all understand and speak English we do enjoy listening to the music, programs and news in what we consider to be our language. We are sure that there are many people who are not as fortunate as we are and don't understand or speak English, so these radios stations are their own source of news, etc.

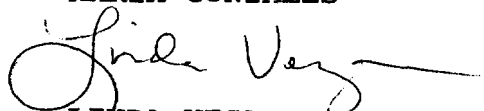
We do urge you to take all of this into consideration and leave the above radio stations as they are now.

Thank you in advance for your courtesy and attention to this matter.

Sincerely,

  
SUSAN DOMINGUEZ

  
MARIA GONZALES

  
LINDA VEGA

Re:  
BRH-  
900330VV

ATTORNEYS:

James M. Brennan  
Jeff D. Nicholson

FEE PROCESSING FORM

TRIPPLICATE

FOR  
FCC  
USE  
ONLY

FCC/MELLON JUN 26 1990

Please read instructions on back of this form before completing it. Section I MUST be completed. If you are applying for concurrent actions which require you to list more than one Fee Type Code, you must also complete Section II. This form must accompany all payments. Only one Fee Processing Form may be submitted per application or filing. Please type or print legibly. All required blocks must be completed or application/filing will be returned without action.

SECTION I

APPLICANT NAME (Last, first, middle initial)

Bakcor Broadcasting, Inc., Debtor-in-Possession

MAILING ADDRESS (Line 1) (Maximum 85 characters - refer to Instruction (2) on reverse of form)

c/o Mullin, Rhyne, Emmons and Topel, P.C.

MAILING ADDRESS (Line 2) (if required) (Maximum 85 characters)

1000 Connecticut Avenue, N.W. - Suite 500

CITY

Washington

STATE OR COUNTRY (if foreign address)

DC

ZIP CODE

20036

CALL SIGN OR OTHER FCC IDENTIFIER (if applicable)

KXTQ/KKIK (314)

Enter in Column (A) the correct Fee Type Code for the service you are applying for. Fee Type Codes may be found in FCC Fee Filing Guides. Enter in Column (B) the Fee Multiple, if applicable. Enter in Column (C) the result obtained from multiplying the value of the Fee Type Code in Column (A) by the number entered in Column (B), if any.

(A)

FEE TYPE CODE

M P R

(B)

FEE MULTIPLE  
(if required)

2

(C)

FEE DUE FOR FEE TYPE  
CODE IN COLUMN (A)

\$ 1130.00

FOR FCC USE ONLY

SECTION II

To be used only when you are requesting concurrent actions which result in a requirement to list more than one Fee Type Code.

(A)

FEE TYPE CODE

(B)

FEE MULTIPLE  
(if required)

(C)

FEE DUE FOR FEE TYPE  
CODE IN COLUMN (A)

FOR FCC USE ONLY

(2)

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\$	
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(3)

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\$	
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(4)

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\$	
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(5)

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\$	
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ADD ALL AMOUNTS SHOWN IN COLUMN C, LINES (1) THROUGH (5), AND ENTER THE TOTAL HERE. THIS AMOUNT SHOULD EQUAL YOUR ENCLOSED REMITTANCE.

TOTAL AMOUNT REMITTED  
WITH THIS APPLICATION  
OR FILING

\$ 1130.00

FOR FCC USE ONLY

1981

**BAKCOR BROADCASTING, INC.  
BAKKE COMMUNICATIONS, INC.**

DEBTORS-IN-POSSESSION, CASE NO. 89-70218

P. O. BOX 81147  
MIDLAND, TX 79711

89-775/1163

June 22 1990

PAY

TO THE

ORDER OF

FCC

\$ 1130.00

One Thousand One Hundred Thirty & <sup>00</sup>/<sub>100</sub> DOLLARS


Filing Fees for KKVK &amp; KXTQ



THIS CHECK IS DELIVERED FOR PAYMENT ON THE ACCOUNTS LISTED.

⑈001981⑈ ⑆116307752⑆ ⑈094 844 2⑈

**UNITED BANK**  
P.O. BOX 11347 MIDLAND, TEXAS 79702

**AW OFFICES**

**MULLIN, RHYNE, EMMONS AND TOPEL**  
PROFESSIONAL CORPORATION

1000 CONNECTICUT AVENUE - SUITE 500  
WASHINGTON, D. C. 20036

(202) 659-4700 TELECOPIER (202) 872-0604

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MARTIN E. FIRESTONE  
OF COUNSEL

J. MARK ABSON<sup>Δ</sup>\*  
SPECIAL COUNSEL  
<sup>Δ</sup>SOLICITOR OF THE  
SUPREME COURT OF  
ENGLAND AND WALES  
\*NOT ADMITTED IN DC

June 26, 1990

Ms. Donna R. Searcy, Secretary  
Federal Communications Commission  
Mass Media Services  
P.O. Box 358350  
Pittsburgh, PA 15251-5350

Re: Stations KXTQ(AM) and KKI(K)FM  
Lubbock, Texas

Dear Ms. Searcy:

Enclosed for filing are an original and two copies of an application on FCC Form 314 seeking consent to assign the licenses of Stations KXTQ(AM) and KKI(K)FM from Bakcor Broadcasting, Inc., Debtor-in-Possession, to William Sanders. Also enclosed is a check for \$1130 made payable to the FCC to cover the required filing fees (\$565 per station).

If there are any questions concerning the assignor's portion of the application, please contact the undersigned counsel. If there are any questions concerning the assignee's portion of the application, please contact Roger Metzler, Esq., Keck, Mahin & Cate, 650 California, Suite 800, San Francisco, CA 94108. His telephone number is (415) 392-7077.

Sincerely,

  
Linda J. Eckard

LJE:js  
Enclosure

Commission Use Only

File No.

United States of America  
Federal Communications Commission  
Washington, D.C. 20554

Approved by OMB  
3060-0031  
Expires 6/30/89

**APPLICATION FOR CONSENT TO ASSIGNMENT OF BROADCAST STATION CONSTRUCTION PERMIT OR LICENSE**  
(Carefully read instructions before filling out form — RETURN ONLY FORM TO FCC)

**Section I**

**GENERAL INFORMATION**

**Part I — Assignor** Bakcor Broadcasting, Inc., Debtor-in-Possession

**1. Name of Assignor**

**Street Address**

**City**

3 7 0 1 L a F o r c e B l v d.

M i d l a n d

**State**

**Zip Code**

**Telephone No.**

(Include area code)

T X

7 9 7 1 1

(915) 563-5636

**2. Authorization which is proposed to be assigned**

(a) Call letters

Location

KXTQ (AM)

Lubbock, Texas

KKIK (FM)

(b) Has the station commenced its initial program tests within the past twelve months?

☐ YES ☒ NO

If yes, was the initial construction permit granted after comparative hearing?

☐ YES ☐ NO

N/A

If yes, attach as Exhibit No. the showing required by Section 73.3597.

**3. Call letters of any Remote Pickup, STL, SCA, or other stations which are to be assigned:**

WLN-400

**4. Is the information shown in assignor's Ownership Reports (FCC Form 323 or 323-E) now on file with the Commission true and correct as of this date?**

☒ YES ☐ NO

If No, attach as Exhibit No. an Ownership Report supplying full and up-to-date information.

**5. Attach as Exhibit No. 1 a copy of the contract or agreement to assign the property and facilities of the station. If there is only an oral agreement, reduce the terms to writing and attach.**

**6. State in Exhibit No. 2 whether the assignor, or any partner, officer, director, member of the assignor's governing board or any stockholder owning 10% or more of the assignor's stock: (a) have any interest in or connection with an AM, FM or television broadcast station; or a broadcast application pending before the FCC; or (b) has had any interest in or connection with any dismissed and/or denied application; or any FCC license which has been revoked.**

The Exhibit should include the following information: (i) name of party with such interest; (ii) nature of interest or connection, giving dates; (iii) call letters or file number of application; or docket number; (iv) location.

GENERAL INFORMATION

Part I—Assignor

7. Since the filing of the assignor's last renewal application for the authorization being assigned, or other major application, has an adverse finding been made, a consent decree been entered or adverse final action been approved by any court or administrative body with respect to the assignor or any partner, officer, director, member of the assignor's governing board or any stockholder owning 10% or more of assignor's stock, concerning any civil or criminal suit, action or proceeding brought under the provisions of any federal, state, territorial or local law relating to the following: any felony; lotteries; unlawful restraints or monopolies; unlawful combinations; contracts or agreements in restraint of trade; the use of unfair methods of competition; fraud; unfair labor practices; or discrimination? ☐ YES ☒ NO

If Yes, attach as Exhibit No. \_\_\_\_\_ a full description, including identification of the court or administrative body, proceeding by file number, the person and matters involved, and the disposition of litigation.

**SECTION VI**

**Part I — Assignor**

**ASSIGNOR'S CERTIFICATION**

1. Has or will the assignor comply with the public notice requirement of Section 73.3580 of the Rules?

☒ YES ☐ NO

The ASSIGNOR acknowledges that all its statements made in this application and attached exhibits are considered material representations, and that all of its exhibits are a material part hereof and are incorporated herein.

The ASSIGNOR represents that this application is not filed by it for the purpose of impeding, obstructing, or delaying determination on any other application with which it may be in conflict.

In accordance with Section 1.65 of the Commission's Rules, the ASSIGNOR has a continuing obligation to advise the Commission, through amendments, of any substantial and significant changes in the information furnished.

**WILLFUL FALSE STATEMENTS MADE ON THIS FORM ARE PUNISHABLE BY FINE AND IMPRISONMENT  
U.S. CODE, TITLE 18, Section 1001**

I certify that the assignor's statements in this application are true, complete, and correct to the best of my knowledge and belief, and are made in good faith.

Signed and dated this 22 day of June, 1990

Bakcor Broadcasting, Inc., Debtor-in-Possession

Name of Assignor

  
Signature

President

Title

**EXHIBIT 1**



## AGREEMENT TO SELL SPECIFIC BUSINESS ASSETS

AGREEMENT between WILLIAM S. SANDERS, or his assigns, (the "BUYER") and BAKCOR BROADCASTING, INC. a Texas corporation, (the "SELLER").

### R E C I T A L S

A. SELLER is the licensee of radio stations KXTQ/AM and KKIK/FM which are authorized by the Federal Communications Commission to operate in Lubbock, Texas (the "Radio Stations").

B. On the terms and subject to the conditions hereinafter set forth, SELLER agrees to sell, convey, transfer, assign, and deliver to BUYER, and BUYER agrees to purchase and accept, as hereinafter provided, certain assets used by SELLER in the operation of the Radio Stations, all subject to the terms, limitations, and conditions hereinafter set forth; and

C. SELLER and BUYER will be unable to consummate said purchase until after the FCC has granted its consent to the BUYER of the assignment of the operating licenses of the Radio Stations as hereinafter provided.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained herein, BUYER and SELLER mutually agree as follows:

#### 1. Definitions

In connection with this Agreement, the terms as used herein, shall have the following meaning:

1.1 Personal Property and Fixtures shall mean the personal property and fixtures listed on Exhibit A attached hereto and made a part of this Agreement.

1.2 [INTENTIONALLY DELETED].

1.3 Licenses means the licenses necessary and useful for the operation of the Radio Stations as more fully described on Exhibit C, attached hereto and made a part of this Agreement.

1.4 Leases means the leases necessary or useful in the operation of the Radio Stations as more fully described on Exhibit D, attached hereto and made a part of this Agreement.

1.5 Contracts means the contracts necessary or useful in the operations of the Radio Stations as more fully described on Exhibit E attached hereto and made a part of this Agreement.

1.6 Accounts Receivable means the dollar amount due from customers of SELLER to SELLER for the purchase of station air time prior to the Closing Date as recorded on the books of SELLER at the date of Closing.

1.7 Radio Stations means radio stations KXTQ/AM and KKIK/FM located in Lubbock, Texas.

1.8 Closing Date means the date set for Closing as provided herein.

1.9 BUYER means William S. Sanders, or an affiliated corporation or limited partnership to which this Agreement may be assigned.

1.10 Stockholder means BAKKE Communications, Inc., a <sup>Delaware</sup>~~Texas~~ corporation, which is the holder of 100% of the outstanding common stock of SELLER, its only outstanding equity security.

1.11 SELLER means Bakcor Broadcasting, Inc., a Texas corporation.

1.12 Closing means the actions to be carried out on the Closing Date as provided herein.

1.13 Agreement means this agreement.

1.14 Business Assets means the Personal Property and Fixtures, and all of the right, title and interest of SELLER in the Licenses, Leases and Contracts.

1.15 Earnest Money means the sums deposited under the Escrow Agreement.

1.16 Escrow Agreement means the escrow agreement described in Paragraph 5.

1.17 Escrow Agent means Chapman Associates, 5495 Beltline Road, Dallas, Texas, 75240.

1.18 Person means any person, firm, partnership, trust, corporation or other entity.

1.19 FCC means the Federal Communications Commission.

## 2. Sale of Assets

In reliance on the representations, warranties, covenants and agreements set forth in this Agreement, and subject to the terms and conditions of this Agreement, at the Closing SELLER shall sell, convey, transfer, assign and deliver the Business Assets to BUYER, and BUYER shall purchase the Business Assets from SELLER, in consideration for the payment by BUYER to SELLER of an aggregate of Seven Hundred Fifty Thousand Dollars (\$750,000) in the manner contemplated by Paragraph 5 herein, subject only to adjustment as provided in Paragraph 5.3 herein.

## 3. Actions of SELLER and BUYER at the Closing

3.1 The Closing shall take place at 10:00 a.m., local time, on the last day of the calendar month in which the FCC approves and consents to the assignment of the Licenses to BUYER but in no event later than ten (10) days following the occurrence of such FCC approval. The Closing shall take place at

a mutually acceptable location in Lubbock, Texas. The date and place of Closing may be changed by mutual consent of the parties. Provided, however, in the event a pre-grant protest is filed against the proposed assignment, then the closing, if any, shall be a date forty (40) days after Final Written Consent has been obtained from the FCC to the assignment contemplated herein on the terms and conditions herein set forth. "Final Written Consent" as used in this Agreement means an action of the FCC approving the assignment of the Radio Stations licenses from SELLER to BUYER which action is no longer subject to reconsideration or court review under the provisions of the Communications Act of 1934, as amended.

3.2 At the Closing, SELLER shall execute, acknowledge and deliver to BUYER, such good and sufficient assignments and other good and sufficient instruments of sale, conveyance, transfer and assignment, with covenants of warranty consistent with the terms of this Agreement, in form and substance reasonably satisfactory to BUYER'S counsel as shall be required, in the opinion of BUYER'S counsel, to vest in BUYER good and indefeasible title to all of the Business Assets free and clear of all security interests, liens, encumbrances and other burdens. To the extent deemed necessary or desirable by BUYER'S counsel, such instruments shall be filed for recording with and recorded by the appropriate public officials as part of the Closing.

3.3 At the Closing, BUYER shall make the payment or payments to or for the account of SELLER in the aggregate amount to be paid by BUYER at the Closing as provided in this Agreement.

#### 4. Accounts Receivable

All accounts receivable from broadcasts over the Radio Stations which occur prior to and including the Closing Date shall belong to SELLER and from broadcasts which occur thereafter shall belong to BUYER. BUYER agrees, for

a period of one hundred twenty (120) days following the Closing Date, to act as agent for SELLER for the collection of accounts receivable owing to SELLER on account of broadcasts prior to and including the Closing Date. SELLER shall furnish to BUYER, on the Closing Date, a list of said accounts ("SELLER's Accounts") and the amounts due. Such agency is without commission and compensation and all monies received <sup>during</sup> ~~from~~ the first 120 days following the Closing

<sup>10 late than the 15th day of collection</sup>  
<sup>following the month of collection</sup>  
~~Date shall be transmitted to the order of SELLER on the 120th day following the Closing Date.~~ BUYER will not, without consent of SELLER, compromise or settle for less than full value any such accounts receivable.

All amounts received from account debtors included in SELLER's Accounts shall be applied first to SELLER's Accounts and then to accounts arising after the Closing Date. Promptly after the 120th day following the Closing Date, BUYER shall deliver to SELLER all remaining uncollected SELLER's Accounts, and copies of any records or correspondence relating thereto. Except as otherwise set forth above, to the extent that either BUYER or SELLER receive at any time after the Closing Date funds allocable to accounts which belong to the other, such funds shall be promptly remitted to the party entitled thereto.

## 5. The Purchase Price

In consideration of the performance by the SELLER of the covenants and agreements contained herein, BUYER shall pay SELLER the total sum of Seven Hundred Fifty Thousand Dollars (\$750,000), allocated in the manner provided in Exhibit F, upon the following terms and conditions:

### 5.1 Earnest Money Deposit.

As Earnest Money, Forty Thousand Dollars (\$40,000) in the form of a check which will be tendered by BUYER at the time of the removal of the

financing contingency contained in this Agreement (the "Escrow Deposit"), which check shall be delivered to the Escrow Agent, and <sup>negotiated and</sup> deposited by said Escrow Agent in its trust account, as escrowee acting under the Escrow Agreement entered into on the date hereof, which Escrow Agreement forms a part of this Agreement as though the same were a part hereof. e-8  
JMS

**5.2 Purchase Price.**

Subject only to the adjustments, if any, provided for in Paragraph 5.3 below, the purchase price of the Business Assets is Seven Hundred Fifty Thousand Dollars (\$750,000), to be paid as follows: (i) Seven Hundred Fifty Thousand Dollars (\$750,000), including the Earnest Money deposit shall be paid in cash on the Closing Date (the "Purchase Price").

**5.3 Adjustments to Purchase Price.**

SELLER has previously delivered to BUYER a proposed operating budget for fiscal year 1990 (10/31/89 - 9/30/90) in use by SELLER as a financial planning document (the "Plan").

a. Should SELLER achieve all of the financial goals in revenue, expenses, or net operating profit indicated in the Plan between the date of this Agreement and the closing date [the "Plan Period"] the Purchase Price shall remain unchanged.

b. For each failure by SELLER to achieve the stated revenue, expense or profit margins by \$25,000 during the Plan Period, the Purchase Price shall be decreased by \$50,000 for each such failure.

c. Notwithstanding anything contained herein to the contrary, the Purchase Price will not be reduced more than \$150,000 or to a price less than \$600,000.

d. Should SELLER fail to achieve any or all of the revenue, expense or profit margin goals by more than \$100,000 during the Plan

Period, BUYER may elect to declare this Agreement null, void and of no further effect and may immediately request that Escrow Agent return the Escrow Deposit plus interest thereon.

6. [INTENTIONALLY OMITTED].

7. Assumption of Licenses, Leases, and Contracts

(A) Following FCC approval, BUYER, on the Closing Date, shall assume all and singular the obligations of SELLER under the Licenses, Leases, and Contracts, but no other obligations of SELLER. BUYER shall thereafter do any and all things and take any and all steps required to be done or performed by SELLER under the terms and conditions of the Licenses, Leases and Contracts, and shall hold SELLER harmless on account thereof, provided specifically that BUYER shall not assume any liabilities (whether contingent or absolute) with respect to the Licenses, Leases, or Contracts arising out of, and attributable to, periods prior to the Closing Date, and SELLER shall hold BUYER harmless from any and all expenses in connection therewith including legal fees, necessary travel and any other expenses.

(B) On the Closing Date, Buyer shall enter into a new lease with Seller's lessor, Iva Lee Barton, for the studio portion of the real property on which the Stations conduct their business (the "Studio Lease"), for not less than five (5) years with a five (5) year option.

(C) On the Closing Date, Buyer shall enter into a new lease with KAMC-TV for the AM transmitter site portion of the real property on which the Stations conduct their business (the "Transmitter Lease"), for not less than five (5) years with a five (5) year option.

8. Pre-closing and Post-closing Liabilities

In the event claim is made by any person against BUYER as a result of, or arising out of, the operation of the Radio Stations prior to the Closing

Date, SELLER shall either defend the BUYER against, or set aside, said claim, and SELLER shall hold BUYER harmless from any and all expenses in connection therewith, including legal fees, necessary travel, or any other expenses. In the event that claim is made by any person against SELLER as a result of, or arising out of, the operation of the Radio Stations by BUYER subsequent to the Closing Date, BUYER shall either defend SELLER against, or set aside, said claim, and BUYER will hold SELLER harmless from any and all expenses in connection therewith including legal fees, necessary travel, and any other expenses.

9. Warranties of SELLER

SELLER represents and warrants, without reservation, which representations and warranties shall continue to and survive the Closing, as follows:

9.1 SELLER has good and marketable title to all of the Personal Property and Fixtures, free and clear of all liens, encumbrances and claims other than those identified on Schedule 1 and the Personal Property and Fixtures are all of the personal property and fixtures used by the SELLER in the operation of the Radio Stations or the Licenses; all material items of the Personal Property and Fixtures are, and will be at the Closing Date, in good working condition and in compliance with the standards of good engineering practice as defined and/or required by the FCC; and, to the knowledge of SELLER and Stockholder, the improvements on the real property on which the Stations conduct their business are structurally sound and in good condition and repair including, without limitation, the roof, foundations, walls, heating and cooling systems, plumbing, water, electrical and sewer systems.

9.2 The Licenses are presently valid authorizations from the FCC and any other requisite authorities for the operation of the Radio Stations;



those authorizations are not in jeopardy; the operation of the Radio Stations are presently in full accord with the terms and conditions of its Licenses, the Communications Act of 1934, as amended, and the rules and regulations of the FCC; all technical equipment meets the standards of good engineering practices published by the FCC; SELLER knows of no reason why it should not be permitted by the FCC to sell the Radio Stations or assign the Licenses; pending approval of the assignment of the Licenses, SELLER will continue to operate the Radio Stations in the public interest, convenience, necessity, lawfully, in the same manner as it has in the past; the Radio Stations are operating and will be operated between now and the Closing Date in accordance with all federal, state, county, municipal, other laws or ordinances, and to the best of the SELLER'S knowledge no laws or ordinances are proposed or threatened which would impair the continued operation of the Radio Stations in the same manner as it has been operated in the past.

9.3 The Contracts and Leases are in full force and effect and each and every one of them will, at Closing Date, be fully assignable to BUYER without any change in the terms thereof; any "trade-outs" in existence other than those on Exhibit C hereto requiring air time in exchange for goods or services will be terminated prior to the Closing Date or assumed by the BUYER in writing at its discretion; the Leases and Contracts will on the Closing Date be unimpaired by any acts or omissions of SELLER; SELLER will indemnify and hold BUYER harmless from any and all claims and actions arising out of any breach or alleged breach of the Contracts and Leases because of events occurring prior to Closing Date; all payments due on or prior to the Closing Date under the Leases and Contracts will by the Closing Date, have been made by SELLER; and the Leases and Contracts will be current as of the Closing Date. ~~Prior to the Closing Date, SELLER will obtain a 5-year extension on the~~

